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THE *Fats and Oils* SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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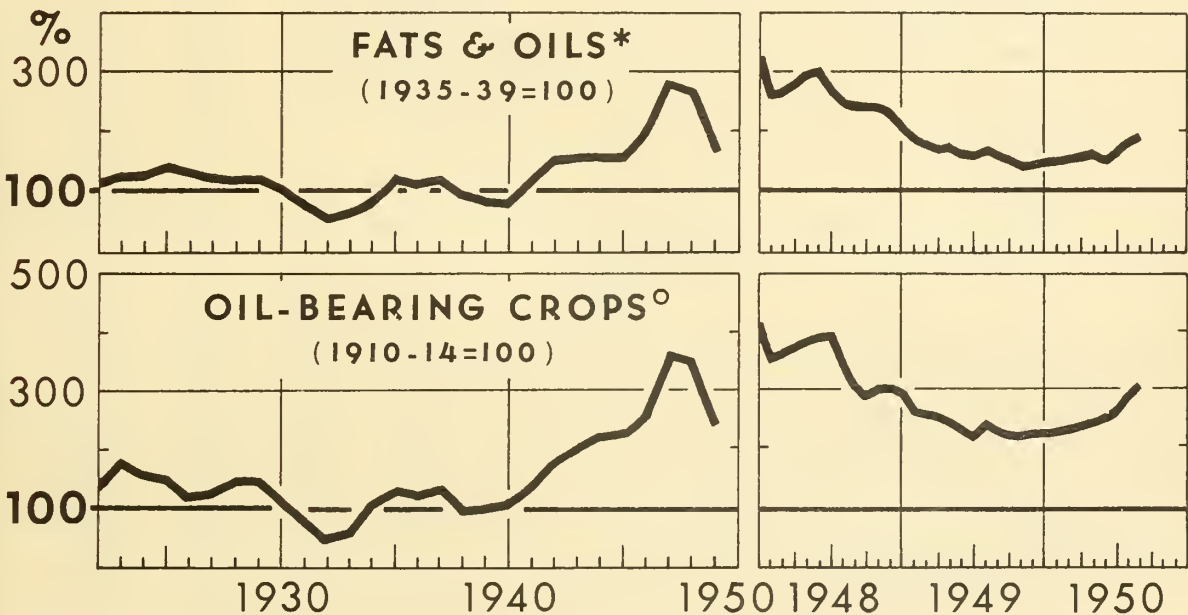


OCTOBER 1950

PRICES of FATS, OILS & OILSEEDS

BY YEARS

BY MONTHS



* WHOLESALE PRICES OF 26 MAJOR ITEMS, EXCLUDING BUTTER

° PRICES RECEIVED BY U. S. FARMERS FOR COTTONSEED, FLAXSEED,
PEANUTS, AND (BEGINNING 1935) SOYBEANS

U. S. DEPARTMENT OF AGRICULTURE

NEG. 47861-XX BUREAU OF AGRICULTURAL ECONOMICS

Prices of most fats and oils probably will remain above a year earlier until at least next summer. Consumers' income and industrial activity will be substantially higher than a year

earlier, and a slight decline in domestic output of fats and oils is likely in the year beginning October 1950.

Table 1.- Wholesale prices per pound of fats, oils, and glycerin at specified markets, and index numbers of prices of fats and oils September 1948 and 1949, July-September 1950

Item	1948	1949	1950		
	September	September	July	August	September
	Cents	Cente	Cente	Cents	Cents
Butter, 92-score, Chicago	71.8	61.9	60.0	60.7	62.7
Butter, 92-score, N. Y.	71.9	62.2	60.3	61.4	63.3
Oleomargarine, domestic vegetables, Chicago	36.6	27.8	28.0	29.6	29.0
Shortening, cottonseed, hydrogenated, 10-drum lots, N. Y.	31.8	22.6	22.2	24.2	25.8
Shortening, containing animal fat, 1-pound cartons, Chicago	32.5	23.4	24.8	26.8	28.0
Lard, loose, Chicago	20.5	12.0	13.2	14.5	14.0
Lard, prime steam, tierces, Chicago **	19.0	12.4	13.7	14.8	14.3
Lard, refined, 1-pound cartons, Chicago	24.6	16.4	17.0	19.2	18.0
Oleo oil, extra, drums, Chicago	27.4	14.4	14.1	17.2	17.8
Oleostearine, barrels, N. Y.	22.5	11.0	9.7	13.6	16.8
Tallow, edible, Chicago	14.3	7.3	7.6	10.0	13.4
Corn oil, crude, tanks, f.o.b. mills	23.0	13.2	15.1	17.6	17.8
Corn oil, refined, drums, N. Y.	31.2	19.2	20.1	23.4	23.8
Cottonseed oil, crude, tanks, f.o.b. S.E. mills	22.1	11.6	15.2	17.2	17.9
Cottonseed oil, p.s.y., bleachable, tank cars, N. Y. 1/	23.1	14.2	17.4	19.6	20.5
Cottonseed oil, refined, drums, N. Y.	31.4	20.0	21.3	24.6	25.0
Peanut oil, crude, tanks, f.o.b. mills	24.2	16.3	17.1	19.8	20.9
Peanut oil, refined, drums, N. Y.	31.4	23.4	22.7	27.2	28.5
Soybean oil, crude, tank cars, midwestern mills	22.8	11.4	12.9	14.5	15.0
Soybean oil, refined, drums, N. Y.	28.7	15.6	17.5	19.0	19.8
Babassu oil, tanks, N. Y.	26.8	17.8	17.6	19.1	19.5
Coconut oil, crude, tank car lots, Pacific Coast 2/	28.1	16.4	17.6	19.5	20.2
Coconut oil, Cochin type, refined, drums, N. Y. (tax included)	31.0	22.4	21.4	23.9	25.2
Olive oil, imported, edible, drums, N. Y.	61.5	44.5	29.7	39.1	44.9
Olive oil, imported, inedible (denatured), drums, N. Y.	40.0	36.3	24.8	33.3	---
Olive-oil foots, drums, carlots, N. Y.	23.2	18.6	12.9	14.5	14.8
Palm oil, Congo, drums, N. Y. 2/	27.0	14.6	16.5	17.3	18.9
Sesame oil, refined, drums, N. Y.	---	41.0	31.0	31.0	31.3
Tallow, inedible, prime or extra, carlots, Chicago	13.3	6.4	6.8	8.5	12.3
Tallow, No. 1, inedible, Chicago	11.2	5.1	5.8	7.0	10.0
Grease, "A" white, Chicago	12.4	5.9	6.2	8.0	11.5
Grease, yellow, Chicago	10.4	4.8	5.4	6.7	9.6
Menhaden oil, light pressed, tanks, N. Y.	19.0	10.0	10.9	13.0	15.0
Sardine oil, crude, tanks, Pacific Coast	15.6	6.9	7.3	9.5	11.0
Cottonseed-oil foots, raw (50 percent T.F.A.) delivered, East	2.9	1.8	2.0	2.4	3.0
Tall oil, refined, tanks, works	5.8	5.0	5.0	5.0	5.0
Safflower oil, tanks, N. Y.	---	---	15.5	15.5	15.5
Linseed oil, raw, tank cars, Minneapolis	27.2	19.0	16.9	16.9	17.0
Linseed oil, raw, drums, carlots, N. Y.	29.1	20.8	18.8	18.8	18.6
Oiticica oil, drums, f.o.b. N.Y.	18.2	23.4	20.2	21.2	21.8
Tung oil, drums, carlots, N. Y.	22.4	27.0	25.4	26.5	26.5
Tung oil, domestic, tanks, f.o.b. mille	---	---	24.2	24.5	24.6
Castor oil, No. 3, drums, carlots, N. Y.	21.6	17.0	18.3	20.4	22.8
Castor oil, No. 1, tanks, N. Y. (New Jersey mills)	20.5	17.2	18.5	20.1	22.3
Castor oil, dehydrated, tanks, N. Y.	24.0	21.0	22.2	23.8	25.8
Cod-liver oil, med. U.S.P. barrels, N. Y.	34.5	25.9	19.3	19.8	20.8
Cod oil, Newfoundland, drums, N. Y.	24.5	10.4	8.5	9.8	10.0
Degras, common, barrels, N. Y.	11.0	11.5	11.5	11.5	11.5
Neat's-foot oil, 30°, drums, carlots, N. Y.	40.0	22.0	25.5	26.0	26.0
Rapeseed oil, refined (denatured), tanks, N. Y.	24.1	17.3	15.4	17.6	22.0
Sperm-whale oil, natural 45°, drums, N. Y.	25.5	17.8	14.4	14.4	14.6
Glycerin, soaplye, basis 80 percent, tanks, N. Y.	29.0	15.9	15.9	3/ 36.5	50.7

INDEX NUMBERS (1935-39=100)

Eight domestic fats and oils (1910-14=100)	232	177	180	190	196
Eight domestic fats and oils (.72*)	228	175	178	188	193
All fats and oils (27 items) (.73*)	245	186	186	196	204
All fats and oils, except butter (26 items) (.82*)	241	157	165	182	191
Grouped by origin:					
Animal fats (.69*)	232	186	184	190	197
Marine animal oils (.77*)	344	153	14.9	188	218
Vegetable oils, domestic (.84*)	269	173	195	215	223
Vegetable oils, foreign (.88*)	282	207	189	206	216
Grouped by use:					
Butter (.67*)	245	210	204	206	213
Butter, seasonally adjusted (.67*)	240	206	221	213	209
Lard (.78*)	186	122	135	145	140
Other food fats (.84*)	268	170	186	213	226
All food fats (.71*)	242	189	190	199	206
Soap fats (.80*)	256	152	158	182	214
Drying oils (.85*)	274	206	187	189	188
Miscellaneous oils (.71*)	279	180	176	199	222
All industrial fats and oils (.82*)	264	177	171	185	202

Prices compiled from Oil, Paint, and Drug Reporter, The National Provisioner, The Journal of Commerce (New York), Chicago Journal of Commerce, reports of Production and Marketing Administration, and Bureau of Labor Statistics. Excise taxes and duties included where applicable. Index numbers of earlier years beginning 1910 are in Technical Bulletin No. 737 (1940) and The Fats and Oils Situation beginning December 1940.

1/ Near-by futures. 2/ Three-cent processing tax added to prices as originally quoted. 3/ Only one quotation, August 25.

* Multiply by this factor to convert index number (1935-39=100) to old basis (1924-29=100).

** The average price of tierce lard in June 1950 was 11.6 cents per pound, not 12.6 cents as incorrectly shown in this table in recent issue of The Fats and Oils Situation.

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 T H E F A T S A N D O I L S S I T U A T I O N
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Approved by the Outlook and Situation Board, October 27, 1950

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SUMMARY

Prices of most fats and oils will average higher in the year beginning October 1950 than a year earlier, largely as a result of increased consumers' income and industrial activity. Strong domestic demand for fats and oils will be reinforced by a continued strong export demand based on continued recovery in European countries and a probable increase in foreign supplies of dollar exchange. Domestic production of fats and oils in the U. S. probably will decline slightly from the 1949-50 level. Disappearance of fats and oils in the U. S. is likely to increase moderately, with the principal increases occurring in use in paints, varnishes, linoleum, chemicals, rubber and other industrial products. Total exports may decline slightly, but exports of lard, tallow, greases, soybeans, and soybean oil probably will remain high. Imports of non-food fats and oils probably will rise in response to an increased demand from industry and increased incentive for government stockpiling of strategic materials. Imports of flaxseed, linseed oil, butter, most edible oils other than olive oil, and inedible tallow and greases are being limited through controls authorized by legislation effective until July 1, 1951.

On the basis of October 1 crop estimates and other indications, the total domestic output of fats and oils in the year beginning October 1, 1950 will be 11.7 to 11.8 billion pounds (including the oil equivalent of exported soybeans, flaxseed, and peanuts for crushing abroad). This is about 0.2 billion pounds smaller than a year earlier but is larger than in any year before 1947-48. Declines in production of cottonseed oil, butter, and peanut oil probably will not quite be offset by increases in output of soybean oil, lard, tallow, and greases.

Prices to farmers for the 1950 crop of soybeans probably will average at least as high as the estimated \$2.12 per bushel received for the 1949 crop. The price-depressing effect of the record output of 275 million bushels of soybeans indicated Oct. 1 is largely offset by one of the smallest cottonseed crops in recent years. The price support level for soybeans this marketing year is \$2.06 per bushel, 5 cents lower than in 1949-50. Storage allowances of up to 7 cents per bushel paid farmers in previous years for soybeans held under loan are discontinued this year.

Prices to farmers through October for the 1950 crop of cottonseed were around 50 percent above the support level of \$47.00 to \$51.00 per ton. Production of cottonseed, calculated at 3,997,000 tons on the basis of the October estimate of cotton lint production and the 1945-49 average relationship between output of lint and seed, is the third smallest in 30 years. The Secretary of Agriculture has announced that there will be no acreage allotments or marketing quotas for cotton in 1951.

Prices to farmers for peanuts produced in 1950 on allotted acreages are being supported at a national average of 10.8 cents per pound (\$216 per ton), slightly higher than last year. Production of peanuts picked and threshed in 1950 was indicated October 1 to be 1,677 million pounds, about 200 million pounds less than in 1949 and the least since 1941. Edible uses of peanuts may be slightly larger in 1950-51 than a year earlier. Both exports and crushings probably will be smaller.

A national allotment of 1,771,117 acres and a national marketing quota of 1.3 billion pounds of peanuts picked and threshed in 1951 was announced October 26. Farmers are to vote in a referendum December 14 on whether to have marketing quotas for peanuts in 1951, 1952, and 1953.

The support level for the 1950 crop of flaxseed is \$2.82 per bushel, Minneapolis basis (No. 1 flaxseed) compared with \$3.99 per bushel a year earlier. As in the case of soybeans, storage allowances paid to farmers in previous years are discontinued this year. The support level for the 1951 crop of flaxseed will be \$2.65 per bushel, farm basis, 8 cents per bushel higher than for the 1950 crop.

The 1950 crop of flaxseed is estimated at 35.2 million bushels, down 8.4 million bushels from a year earlier. However, with a large carry-over of flaxseed and linseed oil on hand July 1, 1950, the total supply of linseed oil and flaxseed for 1950-51 is far above an average year's supply.

OUTLOOK

Prices of Most Fats and Oils to Average Higher in 1950-51 Than a Year Earlier

The index of wholesale prices of 26 major fats and oils (excluding butter) reached its postwar low in November 1949, at 138 (1935-39=100) following a long decline from the June 1948 level of 298. A gradual rise in most fats-and-oils prices in the winter and spring of 1950 raised the index to 151 by June. Prices of fats and oils shared in the sharp rise in raw-material prices that followed the outbreak of hostilities in Korea in late June. By September the index stood at 191 but declined moderately in October, reflecting lower prices for lard, linseed oil, and coconut oil. The average for October 1949-September 1950 was 155.

Prices of most fats and oils in the year beginning October 1950 probably will average higher than in 1949-50, reflecting increased business activity and a moderate reduction in domestic output of fats and oils. Economic activity abroad is also expected to rise, and dollar purchasing power of importing countries probably will increase. These foreign factors also will tend to raise fats-and-oils prices in the United States, by increasing export bids for U. S. fats and oils and by increasing prices of fats that are imported into the United States.

With substantially more than a year's supply of flaxseed and linseed oil assured in 1950-51, the price of linseed oil will average lower than in 1949-50. The CCC support level for flaxseed this year is materially lower than for the 1949 crop, and in September and October CCC announced that it would sell linseed oil from its large stocks at the market price but not less than 13.75 cents per pound f.o.b. Minneapolis. This minimum is about 3 cents below the average price of linseed oil in 1949-50.

Although prices of most fats and oils in 1950-51 probably will average higher than a year earlier, there may be times of price weakness. An apparent high rate of inventory accumulation by dealers and users of fats, oils, and fat-and-oil products in the summer of 1950 provides the setting for a counter-period of inventory reduction and temporarily weak market demand for fats and oils. The extent of inventory reduction and market weakness that actually develops will depend largely on events affecting the international outlook and the outlook for the general price level.

Table 2.- Wholesale prices of leading fats and oils, United States, specified periods

Item	: Oct. 1949-Sept. 1950 :					
	Average 1937-41	Average : Oct. 1948- : Sept. 1949 :	: Range of month- : ly averages :		Average : for 12 : months :	October : 1950 : 1/ :
			Low	High		
	Cents	Cents	Cents	Cents	Cents	Cents
Butter, 92-score, ...						
Chicago	29.6	61.5	59.8	62.7	61.1	63.4
Lard, tankcar lots, ...						
Chicago	7.7	13.2	9.2	14.5	10.9	11.8
Olive oil, edible, ...						
imported, drums, N.Y.:	35.7	55.3	26.7	44.9	34.4	42.8
Cottonseed oil, crude, ...						
S. E. mills	7.0	13.8	9.6	17.9	13.2	18.0
Soybean oil, crude, ...						
Midwest mills	6.4	13.1	9.6	15.0	12.3	14.3
Tallow, inedible, ...						
prime, Chicago	6.3	8.1	5.0	12.3	6.8	12.3
Coconut oil, crude, ...						
tankcars, Pacific						
Coast 2/	7.0	19.8	16.0	20.2	17.6	18.7
Palm oil, Congo, ...						
drums, N. Y. 2/ 3/ ...	7.9	22.1	14.1	18.9	15.9	19.6
Linseed oil, raw, tank:						
cars, Minneapolis ...	9.3	25.2	16.2	17.3	16.7	15.3
Tung oil, drums, N.Y.:	21.7	23.0	23.9	28.1	26.6	26.3

Wholesale prices compiled from Oil, Paint, and Drug Reporter, The National Provisioner, and reports of the Production and Marketing Administration.

1/ Average for the 6th, 13th, and 20th or nearby dates. 2/ Three cents added to allow for tax on first domestic processing. 3/ Niger, 1937-41.

There will be some shifts in price relationships among fats and oils compared with a year earlier. The small cottonseed crop, the bumper soybean crop and a prospective large output of lard has resulted in an increase in the market premium for cottonseed oil over soybean oil and lard. In October, the price of crude cottonseed oil was 3.7 cents per pound higher than the price of crude soybean oil, compared with an average difference of 0.9 cents per pound in 1949-50. The difference between the price of crude cottonseed oil and the price of lard (tankcar lots, Chicago) was 6.2 cents per pound in October compared with 2.3 cents in 1949-50.

Increasing dollar earnings and dollar reserves of foreign countries may lead to some easing of foreign exchange and import restrictions that have prevented foreign buyers from entering the U. S. market when prices of our fats and oils were lower than the same or closely substitutable items from other world sources. To the extent that these restrictions are eased, the unusual margin of recent years in United States markets between prices of coconut and palm oils, on the one hand, and domestic edible oils and soap fats, on the other, will diminish.

Under the provisions of the Defense Production Act of 1950, price ceilings for agricultural products generally may not be established below the highest of the following prices, after adjustment for grade, location and seasonal differentials: (1) The parity price at the time the price ceiling is established or (2) the highest price received by producers in the period May 24 to June 24, 1950. The latter alternative is likely to determine the lowest possible ceiling price for soybeans during the life of the present law. The parity price will determine the minimum ceiling price that may be established for other oilseeds.

Small 1950 Crop of Cottonseed Selling for Sharply Higher Prices

Loans to farmers on cottonseed produced in 1950 are being offered by CCC at \$51 per ton for basis-grade seed and, in areas where necessary, direct purchases of cottonseed will be made at \$47 per ton, basis-grade (100). These supports are slightly higher than those for the 1949 crop. Prices paid farmers for 1950 crop cottonseed, however, have been far above the support level and materially higher than in 1949-50. The mid-October average price to farmers for cottonseed was \$81.50 per ton compared with \$41.80 a year earlier.

A relatively high price for cottonseed is likely to continue through the rest of the marketing year. The crop of cottonseed is about 40 percent smaller this year than last and is the third smallest in 30 years. On the basis of the October 1 estimate of cotton lint production and the 1945-49 average ratio between production of seed and lint, output of cottonseed in 1950 will total only 3,997,000 tons compared with 6,613,000 tons a year earlier. Cotton acreage was materially reduced this year, largely as a result of acreage allotments and marketing quotas, and the yield per acre is below average in contrast to last year's above-average yield.

The small crop of cottonseed is being reflected in a relatively high price for cottonseed oil. The price of crude cottonseed oil at Southeast mills was about 18 cents per pound in October 1950 compared with 10 cents per pound a year earlier.

The Secretary of Agriculture announced October 3 that there will be no marketing quotas or acreage allotments for cotton in 1951. On the basis of the 1940-49 average yield of cotton lint per acre, over 29 million acres of cotton in cultivation July 1 would be necessary to produce the 16 million bales suggested by the Secretary as a desirable output next year. This acreage compares with 19.0 million acres in cultivation last July 1 and the post-war high of 27.7 million acres July 1, 1949.

Price For Record 1950
Soybean Crop Probably
No Lower Than Last Year

Price support to farmers for soybeans produced in 1950 is being offered through loans and purchase agreements at a national average of \$2.06 per bushel (for No. 1 or No. 2 green or yellow soybeans), compared with \$2.11 per bushel for the 1949 crop. Storage allowances of up to 7 cents per bushel paid farmers in previous years for soybeans held under loan are discontinued this year. Loan rates this year vary by counties. In previous years the same rate was used throughout the country.

The season average price to farmers for the 1949 crop of soybeans was \$2.12 per bushel, just above the support. Mid-month average prices to farmers during the marketing year ranged from \$1.95 per bushel in November 1949 to \$2.93 per bushel in July 1950.

The 1950 production of soybeans for beans was estimated, on the basis of October 1 conditions, to be 275 million bushels, well above any previous year. Despite this large crop, the season average price for soybeans probably will be at least as high as for the preceding crop. The average level of edible vegetable oil prices in 1949-50 is expected to be higher than a year earlier, since consumers' income will be larger and production of edible vegetable oils will be smaller. The major reduction in cottonseed output this year probably will more than offset the effect of the increased soybean crop on the vegetable oil supply. However, the discount at which soybean oil is sold under cottonseed oil has widened, reflecting the change in the relative output of these oils this year. Also, the price of soybeans in 1950-51 probably will be lower in relation to prices of soybean oil and meal than a year earlier, since it may be necessary to bring some outmoded equipment back into operation to handle the record crush this year.

Exports of soybeans and soybean oil probably will be large again in 1950-51. These exports totaled 55 million bushels in terms of soybeans (540 million pounds in terms of oil) in 1948-49 and over 40 million bushels (about 400 million pounds in terms of oil) in 1949-50. In 1950-51 the supply of soybeans and soybean oil will be materially larger than in either of

the two preceding marketing years. Also, exports of cottonseed oil and peanuts, which totaled nearly 200 million pounds in terms of oil in the year ended September 1950, probably will be materially reduced. The price of soybeans and soybean oil is likely to be low in relation to other domestic fats and oils, except lard, and also strongly competitive with prices of most non-U. S. fats and oils.

World supplies of oilseeds for crushing in Europe are still substantially below the prewar level. Exports of soybeans from Manchuria, the major prewar source, have been increasing slowly in the past two years but are still equal to only a few percent of prewar. The longer term outlook for U. S. soybeans depends in part on the volume of exports of soybeans from Manchuria to Europe in coming years. Domestic demand for soybeans will reflect the expanding demand for high protein feeds, especially for soybean meal, and continuing research into new and improved uses for both oil and meal.

Table 3.- Soybeans: Price to farmers, supply and disposition, United States, 1937-50

Year	Season : average	Pro- : duction	Stocks : October 1	Total : supply	Exports : 1/	Pro- : cessing : for oil and meal	Seed	Residual : 2/
	: price per bushel							
	: Dollars	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Average:								
1937-41:	.96	76.7	N.A.	76.7	3.5	54.6	15.4	N.A.
1942 :	1.61	187.5	6.0	193.5	.9	133.5	21.0	25.6
1943 :	1.81	190.1	12.5	202.7	1.0	142.3	19.8	25.5
1944 :	2.05	192.0	14.2	206.1	5.1	153.4	18.9	21.0
1945 :	2.08	192.1	7.7	199.8	2.9	159.5	16.5	16.7
1946 :	2.57	201.3	4.3	205.6	3.9	170.2	17.1	9.0
1947 :	3.34	183.6	5.4	188.9	3/3.0	161.4	15.7	6.3
1948 :	2.27	223.0	2.6	225.6	3/23.0	183.7	15.4	.4
1949 4/:	2.12	222.3	3.1	225.4	3/5/12.9	5/195.1	17.9	
1950 :		6/275.3						

Compiled from reports of Bureau of the Census and U. S. Department of Agriculture.

1/ Including shipments to U. S. Territories before April 1948.

2/ Computed from unrounded numbers. Includes use for feed, direct use for food and loss.

3/ Exports of soybean oil, in millions of pounds, and the soybean equivalent, in millions of bushels, were as follows: 1947, 115 (12.1); 1948, 311 (31.7); 1949 (11 months), 275 (28.1).

4/ Preliminary.

5/ October 1949-August 1950.

6/ Indicated October 1.

N.A. - Not available.

Quota Peanuts Supported at Slightly
Higher Price This Year

Prices of peanuts produced in 1950 on allotted acreages by eligible producers are being supported at a schedule of prices based on 90 percent of the parity price August 1. The same basis was used in 1949. Ninety percent of parity August 1 this year was 10.8 cents per pound (\$216 per ton) compared with 10.5 cents per pound (\$210 per ton) August 1, 1949. A producer is eligible this year for price support on peanuts produced on his allotted acreage if (1) his total picked and threshed acreage is not greater than in 1947 and (2) peanuts produced on acreage in excess of the allotment are delivered to agencies designated by the Secretary of Agriculture. Last year a producer was eligible for price support only if his total acreage picked and threshed was within the allotment.

Prices to farmers for "excess" peanuts (those not grown on allotted acreages) are announced weekly and are equivalent to the prevailing market value of peanut oil and meal, less estimated storage, handling, selling and crushing costs of the peanuts. Through mid-October the announced weekly prices were equal to around 60 percent of the prices being paid for "quota" peanuts (those grown on allotted acreages). The estimated acreage of peanuts to be picked and threshed this fall, at 2,115,000 acres, is 4 percent less than the national acreage allotment of 2,200,194 acres. Deliveries of excess peanuts up to mid-October totaled 6,799 tons.

On October 6, 1950, CCC declared the supply of Virginia type and Valencia types peanuts of the 1950 crop to be insufficient to meet the cleaning and shelling demand for such types at prices equal to 105 percent of the support prices. In accordance with recent legislation, "excess" Virginia and Valencia type peanuts purchased from producers on the basis of oil value will be offered by CCC for cleaning and shelling at prices equal to not less than 105 percent of the support price plus reasonable carrying charges. The difference between returns from sales of these peanuts and their cost to CCC will be prorated among the producers from which the peanuts were purchased.

On October 26 the Secretary of Agriculture announced a national marketing quota of 650,000 tons (1.3 billion pounds) and a national acreage allotment of 1,771,117 acres for peanuts picked and threshed in 1951. Peanut growers will vote in a referendum to be held in early December whether to continue marketing quotas for the 1951, 1952, and 1953 crops. A favorable two-thirds vote is required for approval. If marketing quotas are approved, price support for quota peanuts will be mandatory at 80 to 90 percent of the parity price at the beginning of the marketing season. If producers disapprove marketing quotas, price support is mandatory at 50 percent of parity for cooperating producers.

Farmers approved quotas for the 1948, 1949, and 1950 crops in a referendum held in 1947. However, because of a world shortage of fats and oils in 1948, quotas were suspended for that year. Quotas were in effect for the 1949 and 1950 crops.

Table 4. - Acreage of peanuts picked and threshed: State allotments for 1951 with comparative data

State	1949		Allotments	
	Allotments	Acreage picked and threshed	1950 ^{1/}	1951
		1,000		
	Acres	acres	Acres	Acres
Alabama	399,821	350	319,373	229,535
Arizona	401	2/	960	801
Arkansas	8,416	8	6,724	4,570
California	1,257	2/	1,257	1,050
Florida	83,882	67	73,236	61,149
Georgia	878,024	800	701,400	585,638
Louisiana	4,041	3	3,228	2,092
Mississippi	14,129	13	11,286	7,742
Missouri	401	2/	320	233
New Mexico	8,641	7	6,902	4,975
North Carolina	243,035	236	225,702	188,451
Oklahoma	188,336	170	183,600	153,298
South Carolina	25,613	22	20,459	15,342
Tennessee	5,739	5	4,766	3,979
Texas	625,788	513	499,873	376,732
Virginia	141,444	138	141,108	117,819
Total	2,628,970	2,332	3/2,200,194	4/1,771,117

^{1/} The U. S. Department of Agriculture announced November 30, 1949, a national acreage allotment of 2,100,000 for the 1950 crop. However, Public Law 471, approved March 31, 1950, increased this total by 100,194 acres, with most of this increase going to Alabama and Texas. The allotment increases provided by Public Law 471 were applicable only to the 1950 crop and are not to be considered in prorating national acreage allotments in subsequent years.

^{2/} Not reported. ^{3/} The total national acreage picked and threshed in 1950, as indicated October 1, is 2,115,000. ^{4/} Includes 17,711 acres, not included in State allotments, reserved for new farms.

With edible and farm uses of peanuts remaining relatively stable since World War II, reductions in output are reflected in reductions in total exports and crushings. Exports of peanuts declined sharply in 1949-50, largely as a result of improved world supplies of fats, oils, and oilseeds. Crushings in the United States increased moderately. In 1950-51 the further reduction of about 200 million pounds in output probably will be reflected in small exports and a moderate reduction in crushings. Edible uses of peanuts probably will increase somewhat, because the expected increase in consumers' income is likely to more than offset the effect on consumption of a slight rise in the price of peanuts, and purchases by the armed forces may increase.

Table 5. - Peanuts: Price to farmers, production (picked and threshed), farm uses, domestic commercial disappearance and exports, United States, 1937-50

Year	Season average price	Production (picked and threshed) per pound	Farm uses (farmers' stock)	Domestic commercial disappearance (except for crushing)	Crushings	Exports	4/	
beginning	Sept. 1	received	thresh	stock	crushing	3/	stock	ed
by	farmers	1/	1/	2/	Cleaned	Shelled	peanuts	peanuts
	Cents	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Average:								
1937-41:	3.6	1,395	227	70	517	256	31	5/ 3
1942	6.1	2,193	361	59	796	391	40	5/ 3
1943	7.1	2,176	296	78	770	408	47	3 22
1944	8.0	2,081	298	103	828	119	6/179	2 19
1945	8.3	2,042	287	80	785	90	6/181	5 41
1946	9.1	2,038	302	64	602	263	186	19 160
1947	10.1	2,183	285	67	560	286	134	10 331
1948	10.5	2,338	235	68	544	160	226	10 526
1949 7/:	10.4	1,876	213	65	552	28	415	4 90
1950		8/1,677						

Exports from Bureau of the Census. Other data from Bureau of Agricultural Economics. Domestic commercial disappearance (except for crushing) computed as total disappearance of cleaned and shelled peanuts minus crushings and exports. 100 pounds of farmers' stock peanuts yield about 95 pounds of cleaned peanuts, about 67 pounds of shelled edible grade kernels, or 70 pounds or more of edible and oil-stock kernels.

1/ Year beginning August 1 in the Southwestern area; September 1 in the Southeastern area; and November 1 in the Virginia-Carolina area.

2/ Seed, feed and loss, and farm household use.

3/ Includes a relatively small quantity sold to farmers for planting but goes mostly to commercial food uses, mainly peanut butter, candy, and roasting and salting.

4/ Including shipments to U. S. Territories, September 1943-August 1947.

5/ Less than 500,000 pounds.

6/ Total crushings minus crushings of imported Argentine peanuts.

7/ Preliminary.

8/ Indicated October 1.

Price for 1950 Crop of Flaxseed Materially Reduced

Loans and purchase agreements are available to farmers on flaxseed produced in 1950 at \$2.82 per bushel, Minneapolis basis (No. 1 flaxseed) compared with \$3.99 per bushel a year earlier. As in the case of soybeans, storage allowances, up to 7 cents per bushel, paid to farmers in previous years are discontinued this year. A similar program has been announced for the 1951 crop, with the loan rate placed at a national average of \$2.65 per bushel, farm basis, 8 cents per bushel higher than for the 1950 crop.

Reflecting reduced acreage, the 1950 crop of flaxseed declined to 35.2 million bushels (October estimate) compared with 43.7 million bushels last year. The bumper 1948 crop and the large 1949 crop were materially larger than needed to provide the quantity of linseed oil consumed in the United States. Despite some export of flaxseed and linseed oil from these two crops, stocks of flaxseed on July 1, 1950 totaled 16.8 million bushels, more than twice the average carry-over, and stocks of linseed oil totaled 579 million pounds, about 5 times the average carry-over. These totals included 13 million bushels of flaxseed and 472 million pounds of linseed oil held by Commodity Credit Corporation. Disappearance of linseed oil in the United States totaled 526 million pounds in the year ended June 1950.

With a surplus situation existing since harvest of the 1948 crop, the market price of flaxseed has declined when supports were reduced. The price of No. 1 flaxseed at Minneapolis in July 1949-June 1950 averaged \$3.94 per bushel compared with \$6.01 per bushel a year earlier. This price declined to \$3.55 per bushel in September 1950 and to \$3.20 per bushel in mid-October.

CCC announced in September 1950 that it would sell linseed oil and flaxseed to domestic buyers at the market price but not less than 13.75 cents per pound, f.o.b. Minneapolis for oil and \$3.50 per net bushel, bulk, basis in store Minneapolis, for flaxseed. These will be the minimum offering prices through January 31, 1951. (Flaxseed and linseed oil at certain port locations are also being offered at prices lower than the equivalent of the domestic price at Minneapolis plus the transportation and other charges to ports.) The market price of linseed oil in October averaged about 15.3 cents per pound, Minneapolis.

Table 6. - Price to farmers, acreage, production, net trade, crushings, and stocks of flaxseed, and stocks of linseed oil in terms of flaxseed, United States, 1937-50

Year begin- ning July	Flaxseed						Stocks of linseed oil July 1 in terms of flaxseed
	: Season	: Planted	: Pro-	: Net	: Crush-	: Total	
	: average : price to : farmers : per bushel	: acreage	: duction	: imports: : (+) or : net ex- : ports (-)	: ings : July 1	: stocks: : July 1	
	: <u>Dol.</u>	<u>Mil. acres</u>	<u>Mil. bu.</u>	<u>Mil. bu.</u>	<u>Mil. bu.</u>	<u>Mil. bu.</u>	<u>Mil. bu.</u>
Average:							
1937-41:	1.63	2.3	19.6	+16.8	33.9	3.8	7.4
:							
1942 :	2.36	4.7	41.0	+ 6.3	44.3	6.2	11.8
1943 :	2.83	6.2	50.0	+16.8	54.6	4.4	10.1
1944 :	2.90	2.9	21.7	+ 5.0	32.9	12.2	17.7
1945 :	<u>2/2.89</u>	4.0	34.6	+ 3.4	29.4	3.1	8.2
1946 :	4.04	2.6	22.6	+ 1.3	24.6	6.6	5.7
1947 :	6.15	4.2	40.5	+ .7	30.1	2.2	7.6
1948 :	5.71	5.0	54.5	- 4.1	37.3	7.2	7.0
1949 <u>3/</u> :	3.57	5.2	43.7	- 2.0	37.4	19.4	19.3
1950 <u>3/</u> :		4.0	35.2			16.8	29.2

Compiled from reports of the Bureau of the Census and U. S. Department of Agriculture. 1/ Partly estimated before 1948. 2/ In addition, farmers were eligible for payments of \$5.00 per planted acre (equivalent to 56 cents per bushel at the average yield of 9 bushels per acre). 3/ Preliminary.

Domestic Output of Fats and
Oils to Decline Moderately
From 1949-50 Peak

Production of fats and oils from domestic materials, including oil equivalent of exported domestic oilseeds, probably will total 11.7 to 11.8 billion pounds in the year beginning October 1950. This is slightly smaller than a year earlier but is about the same as in 1948-49 and is larger than in any year before that. Most of the reduction in output in 1950-51 will be in cottonseed oil. Reductions are not likely to be entirely offset by a major increase in production of soybean oil (including oil equivalent of exported soybeans) and moderate increases in output of lard, tallow and greases.

Animal fats - Butter production has declined more than seasonally since June. Output of creamery butter last June was 6 percent larger than a year earlier, but by September output had declined below the level of a year earlier and preliminary indications for October indicate an output 10 percent below October 1949. This decline coincided with rising consumer incomes and business activity. Apparently, as in the past, rising consumer incomes have resulted in an increased consumption of fluid milk, with a reduction in the quantity of milk used for butter. As little change is expected in total output of farm milk in 1950-51 and a further rise in consumer incomes is expected, butter production in the year beginning October 1950 probably will remain smaller than a year earlier. The total for the year is estimated at 1,600 million pounds or less compared with about 1,740 million pounds in 1949-50.

Production of lard in the year beginning October 1950 probably will rise to about 2,800 million pounds compared with about 2,650 million pounds a year earlier. The 1950 spring and fall pig crops are expected to total about 4 percent larger than the 1949 crops. Hog slaughter in 1950-51, when most of the 1950-crop pigs will be slaughtered, is expected to increase more than 4 percent over 1949-50, since hog slaughter in 1949-50 was unusually small in relation to the size of the pig crops from which it came. The yield of lard per hog declined moderately in 1949-50 reflecting a reduction in the average live weight of hogs slaughtered, and a strong demand and high prices for meat. Live weights in September 1950 were slightly below the level of a year earlier but in early October they were higher. A slight increase in average live weights is expected in 1950-51 compared with a year earlier. The anticipated increase in the number slaughtered in 1950-51 will tend to increase the yield of lard per animal. Past experience indicates that the yield per animal usually rises when the number slaughtered increases, after allowing for the effect of other factors.

Table 7.- Number and average live weight of hogs slaughtered under Federal inspection, yield of lard per hog, and production of federally inspected lard, 1937-41 average and 1946-49

Period	Hog slaughter		Yield of	
	Number	Average	lard	Lard
		live weight		
	Thousand	Pounds	Pounds	Million pounds
Average				
1937-41	41,223	233.5	29.7	1,224
Year beginning				
October				
1946	47,062	258.5	35.4	1,666
1947	47,736	252.7	34.1	1,628
1948	51,205	250.8	36.2	1,855
1949 1/	56,381	245.4	35.3	1,992

Compiled from reports of Production and Marketing Administration, USDA.

1/ Preliminary.

Production of inedible tallow and greases in the year beginning October 1950 probably will reach 2,200 million pounds or more--a new record. Output in 1949-50 was about 2,140 million pounds. Production of greases will increase as a result of the rise in hog slaughter. Output of inedible tallow also will rise with increasing cattle slaughter. Cattle slaughter is likely to increase during the next few years because the number of cattle on farms January 1 is on the rise from the low point reached in 1948. The upward swing in the cattle number cycle usually lasts 6 or 7 years, with the cycle in cattle slaughter following a year or so behind. Since feed supplies are plentiful again in 1950-51 and the number of cattle on feed is at a record or near-record level, a larger percentage than usual of the cattle slaughtered in 1950-51 will be well fed. This also will be a factor in heavy tallow production.

The ratio between total live weight of hogs and cattle slaughtered and total output of inedible tallow and greases declined moderately in January-March 1950 from the high level of a year earlier but returned in April-June almost to the 1949 level. With the recent substantial increase in prices of tallow and greases it is likely that high yields of fat per animal will continue.

Vegetable oils - Production of the vegetable oils used principally in food products is likely to total 4.0 billion pounds (including oil equivalent of exported soybeans and peanuts for crushing) in the year beginning October 1950. This would be a decline of about 0.3 billion pounds from the 1949-50 level.

Table 8.- Estimated production of fats and oils from domestic materials and oil equivalent of exported domestic oilseeds, year beginning October 1950 with comparisons

Item	Average		1947	1948	1949	1950 1/	1950 2/
	1937-41	1942-46					
	Mil.lb.	Mil.lb.					
Butter (actual weight)	2,220	1,761	1,494	1,663	1,736		1,600
Lard and rendered pork fat	2,091	2,514	2,324	2,499	2,646		2,800
Edible beef fats 3/	225	197	142	167	160		160
Total, edible animal fats	4,536	4,472	3,960	4,330	4,542		4,560
Corn oil	173	221	201	225	242		
Cottonseed oil	1,456	1,179	1,357	1,735	1,792		
Edible olive oil	6	5	3	5	2		
Peanut oil	87	4/128	141	146	182		
Peanuts (shelled), oil equivalent of exports for crushing abroad 5/:	---	10	119	214	37		
Soybean oil	500	1,344	1,534	1,807	1,935		
Soybeans, oil equivalent of exports 6/	31	24	28	225	125		
Total, edible vegetable oils ..	2,253	2,911	3,383	4,356	4,315		4,000
Inedible tallow and greases	1,303	1,782	1,980	2,101	2,140		
Fish, whale and seal oils 7/	220	170	133	108	130		
Total, soap fats and oils	1,523	1,952	2,114	2,209	2,270		2,350
Linseed oil 8/	361	579	689	731	725		
Flaxseed, oil equivalent of exports 9/	---	10/	10/	92	50		
Tung oil	2	8	16	17	24		
Total, drying oils	363	588	706	840	799		820
Other fats and oils 11/	21	36	44	23	20		20
Grand total	8,696	9,959	10,207	11,758	11,946		11,750

Compiled from reports of Bureau of the Census, Fish and Wildlife Service, and U. S. Department of Agriculture.

1/ Preliminary.

2/ Forecasts based on October 1 crop conditions and other indications.

3/ Edible tallow, oleo stock, oleo oil, and oleostearine. Beginning January 1949, use of edible in pressing is subtracted from reported production of tallow.

4/ Excludes oil equivalent of Argentine peanuts imported in 1944.

5/ 43 percent of actual weight.

6/ 9 pounds per bushel, 1937-46; 9.5 pounds in 1947; 9.8 pounds in 1948 and 1949.

7/ Excludes cod oil and fish liver oils.

8/ Excludes oil equivalent of imported flaxseed.

9/ 19.8 pounds per bushel.

10/ Less than 500,000 pounds.

11/ Neats'-foot oil, wool grease, cod and fish-liver oils, and vegetable oils not reported separately by kind.

Table 9.- Fats, oils, oilseeds and soap, in terms of oil: U. S. exports by destination,
July 1949 - June 1950

Item	ECA Countries 1/	Non-ECA European Countries	Canada	Cuba	Other Latin American Republics	Japan, Korea, and Ryukyu	Puerto Rico and Virgin Islands	All other countries	Total
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
<u>Food fats and oils</u>									
Lard	266.6	24.6	12.9	132.3	70.6	7.7	55.9	8.1	578.9
Edible beef fats 3/	14.0	---	1.2	.6	1.8	---	---	2.6	20.2
Soybeans (16.3 percent)	80.6	---	28.4	*	---	54.8	---	7.0	165.8
Soybean oil	252.0	41.4	9.0	10.2	3.1	---	---	15.1	330.8
Peanuts, shelled (43%)	61.6	---	---	---	---	---	---	1.0	62.6
Peanut oil	62.2	*	1.6	.5	1.2	*	---	.8	66.3
Cottonseed oil	30.7	*	93.4	1.1	5.9	12.6	---	5.7	119.4
Other edible 4/	9	*	15.7	.8	6.6	1.0	9.3	4.8	39.1
Total, edible	768.7	66.1	162.2	145.6	89.2	76.0	65.2	41.1	1,414.0
<u>Nonfood fats and oils</u>									
Inedible tallow	148.7	11.1	18.5	25.1	40.5	62.7	---	62.9	369.4
Greases	28.4	---	24.6	3.1	1.2	---	---	9.	58.3
Flaxseed (35.4%)	36.4	---	.3	*	*	2.8	---	*	39.5
Linseed oil	2.8	*	.1	.2	1.2	*	---	.6	4.8
Soap (fat content)	.4	*	2.5	.3	6.2	1.6	11.3	7.5	29.8
All others 5/	78.5	.7	21.1	7.3	16.1	3.1	*	7.8	6/135.3
Total, nonfood	295.2	11.8	67.0	36.0	65.2	70.2	11.3	70.7	5/637.1
Grand total	1,063.9	77.9	229.2	181.6	154.3	146.2	76.5	120.8	6/2,051.1

Compiled from reports of the Bureau of the Census. Includes reexports of coconut, palm, and tung oils, olive oil "foots," and coara.

1/ Austria, Belgium, Denmark, France, Germany, Greece, Iceland, Ireland, Italy, Netherlands, Norway, Sweden, Switzerland, Trieste, Turkey, and United Kingdom.

2/ Computed from unrounded numbers.

3/ Edible tallow, oleo oil, oleo stearine, and oleo stock.

4/ Butter, corn oil, edible olive oil, margarine, shortening, vegetable oils not specified by kind, cottonseed (15.5 percent). Shipments also include cottonseed oil, soybean oil, vegetable stearine, mayonnaise (fat content), oleo stearine, and peanut oil.

5/ The principal items included here are fatty acids (mainly from tallow and vegetable oils), fish oils, and coconut oil.

6/ Includes 736,000 pounds of fish-liver oils for which geographical distribution is not given.

* Less than 50,000 pounds.

The reduction in the cottonseed crop is about 40 percent, but output of cottonseed oil in the year beginning October 1950 will decline somewhat less than this because output in August and September 1951 is likely to be larger than a year earlier. Total output in the year ending September 30, 1951 is likely to be 600 to 650 million pounds less than the October 1949-September 1950 total of 1,792 million pounds.

On the basis of the October estimate of the 1950 soybean crop and the record of domestic noncrushing uses in recent years, exports and crushings of soybeans in 1950-51 may total about 250 million bushels compared with nearly 210 million bushels a year earlier. This increase is equivalent to around 400 million pounds in terms of oil.

Crushings and exports of peanuts in the year ended September 1950 amounted to about 220 million pounds, oil equivalent. Total crushings and exports probably will decline in 1950-51 to about 150 million pounds, oil equivalent, with very little going for export.

Since corn oil is a byproduct of the processing of corn for other products, mainly for corn starch and corn sugar, processing for these purposes varies principally in response to the demand for the products. As demand is expected to continue strong and corn supplies for 1950-51 are abundant, production of corn oil probably will be at least as high as in 1949-50 when 242 million pounds were produced.

Crushings and exports of flaxseed in the year ended June 1950 totaled 39.4 million bushels, equivalent to about 730 million pounds of linseed oil. This can be easily matched in 1950-51, as the 1950 crop of flaxseed and the July 1, 1950 carry-over total 52.0 million bushels.

Production of tung oil in 1950-51 is expected to be considerably smaller than the 24 million pounds produced a year earlier. Early frosts last spring killed many tung blossoms. The first official estimate of tung-nut production in 1950 will be published in mid-December.

Exports of Fats and Oils.

Likely to Continue Large

Exports of fats, oils, and oil equivalent of oilseeds from the United States have been at record high levels since the removal of export controls in February 1949. In April-June 1949, the first full calendar quarter after removal of the controls, these exports (including shipments to Puerto Rico and the Virgin Islands) reached a record peak of 846 million pounds, compared with an average quarterly rate of about 250 million pounds in 1948. Since June 1949, exports of fats, oils, and oil equivalent of oilseeds have been at an average quarterly rate of over 500 million pounds. The total for the year ended June 1950 was nearly 2.1 billion pounds, about 4 times the 1937-41 average. The principal items in this total were 579 million pounds of lard, 498 million pounds of soybean oil and oil equivalent of soybeans, 428 million pounds of inedible tallow and greases, 149 million pounds of cotton oil, and 129 million pounds of peanut oil and oil equivalent of peanuts for crushing abroad.

The total value of fats, oils, and oilseeds exported in July 1949-June 1950 was 268 million dollars. Of this total, 158 million dollars' worth (59 percent) was financed from funds appropriated by Congress for the Economic Cooperation Administration program and other foreign aid. About half of the 158 million dollars was paid from the ECA appropriation, and about half from an appropriation for government and relief in occupied areas -- "GARIOA".

The total supply of dollar exchange available to foreign countries in 1951-52 probably will be larger than in 1950-51. A reduction in financing provided through ECA and other foreign aid appropriations probably will be more than offset by an increase in the number of dollars accruing from U. S. purchases of goods and services abroad. Prices of wool, tin, rubber, and other raw materials have risen substantially since June in response to a strong import demand based on increased military requirements and a continued high level of civilian consumption. That dollars are becoming relatively plentiful is indicated by the fact that foreign countries are now accumulating reserves of dollar exchange and are spending dollars to buy gold.

Appropriations for foreign aid in 1950-51, including an unused balance from the previous year, total 2.9 billion dollars compared with 4.9 billion dollars the preceding year. However, since most of the reductions this fiscal year are to be made in spending for nonagricultural items and agricultural commodities purchased in other countries than the U. S., the reduction in the total amount of ECA money spent for U. S. agricultural commodities is expected to be relatively small. With funds for the year beginning July 1, 1950 not available until September, ECA authorizations for the purchase of fats and oils in the United States in July and August were negligible. Authorizations from September 1 through October 23 for the purchase of soybeans and soybean oil in the U. S. totaled 12.9 million dollars,

With the supply of dollars abroad increasing, and with an expected increase in the U. S. production of the principal export items--lard, inedible tallow, grease, soybeans, and soybean oil--continued large exports are probable. The reduction in the 1950 cottonseed crop probably will result in considerably smaller exports of cottonseed oil in 1950-51 than a year earlier. Exports of peanuts for crushing abroad also are likely to decline substantially.

Increase in Imports of Industrial
Fats and Oils Likely in 1950-51

Imports of fats, oils, and oil equivalent of oilseeds into the United States in the year ended June 1950 totaled slightly less than 1.2 billion pounds, compared with about 1.1 billion pounds a year earlier and an average of 2.0 billion pounds in 1937-41. The principal items were 699 million pounds of coconut oil and oil equivalent of copra, 156 million pounds more than a year earlier but the same as the 1937-41 average; 76 million pounds of tung oil compared with 100 million pounds a year earlier and 100 million pounds prewar; 155 million pounds of castor oil and oil equivalent of castor beans compared with 132 million pounds a year earlier and 95 million pounds prewar; 69 million pounds of palm oil compared with 70 million pounds a year earlier and 301 million pounds prewar. Imports of edible vegetable oils other than olive oil were small.

There was no apparent trend in total imports from mid-1948 to mid-1950. During this two-year period imports averaged about 290 million pounds quarterly (in terms of oil), and ranged between 225 million pounds and 354 million pounds. The Korean crisis apparently led industrial users of some imported oils to purchase heavily and also increased the urgency of Government stockpile purchases of strategic materials. The oils listed for Government stockpiling are coconut, palm, castor, and sperm-whale oils.

Exports of Philippine copra and coconut oil to the United States, which averaged 45 million pounds a month in terms of oil in January-June 1950, jumped to 80 million pounds in July and 96 million pounds in August. Prices of copra, c.i.f. Pacific ports, rose from \$171 per short ton in June to \$208 per ton in August and \$222 in September. The October average was about \$210 per ton. Data are not available on exports of Brazilian castor beans or oil in recent months, but the price rose from \$117 per long ton, Brazilian ports, in June to \$180 per long ton in September. The October average was about \$170. The price rise in castor beans was accentuated by a relatively small crop in Brazil in 1950.

Total world exports of fats, oils, and oilseeds in 1950 are estimated at around 10.6 billion pounds compared with 12.9 billion pounds prewar. The largest declines since prewar are in soybeans from Manchuria, peanuts from India and China, flaxseed from Argentina and India, and whale oil from the Antarctic. World export supplies of coconut oil and copra, however, are now only slightly below the prewar level of 2.3 billion pounds in terms of oil. World exports of palm oil are 20 to 25 percent above the 1.0 billion pound prewar average, and exports of palm kernels are about 10 percent above prewar of 0.7 billion pounds. These increases are the result of expanding production in West Africa, especially the Belgian Congo. Lard and tallow exports are well above prewar--at about 1.2 billion pounds compared with 0.7 billion--largely as a result of a major increase in the U. S. output.

After allowing for imports into the United States, the total quantity of fats, oils, and oil equivalent of oilseeds in world trade is estimated to be about 1 billion pounds less than the prewar average of 10.7 billion pounds. The greatest reduction is in the oilseeds providing liquid edible vegetable oils (mainly peanuts, soybeans, and cottonseed) and in flaxseed. The relative scarcity of liquid edible vegetable oils in world trade since the war has led to an increased use of coconut and palm oils for food uses in Europe. 1/

With some easing of the dollar shortage abroad in prospect, the price disparity between palm and coconut oils and domestic edible and soap fats and oils probably will tend to diminish. This, together with the high level of U. S. industrial activity in prospect, would encourage increased imports and use of coconut and palm oils.

1/ The foregoing estimates of world exports of fats, oils, and oilseeds are based largely on an address given by Mr. J. C. A. Faure, June 15, 1950, at the International Association of Seed Crushers Congress at Venice, Italy, and on reports of the Office of Foreign Agricultural Relations, USDA.

Under authority of Public Law 590, signed June 30, 1950, the U. S. Department of Agriculture requires importers to obtain a license to import flaxseed, linseed oil, peanuts and peanut oil, cottonseed oil, soybeans and soybean oil, sunflower seed oil, butter, lard, tallow, fatty acids, combinations and mixtures of vegetable and animal oils, palm oil, oleo oil and stearine, soap and soap powder. Licenses for palm oil are being granted freely. Licenses for the other items on the list, however, are issued only in exceptional circumstances. Copra and coconut oil are specifically exempted from control by the law.

The authority for the imposition of these controls under existing legislation extends to July 1, 1951. Such controls are permitted, by the terms of the law, if they are (a) essential to the acquisition or distribution of products in world short supply or (b) essential to the orderly liquidation of temporary surpluses of stocks owned or controlled by the Government. These controls are to be removed as soon as the conditions giving rise to them have ceased. Also, there may be some modification of controls January 1, 1951 as a result of obligations undertaken by the United States in the General Agreement on Tariffs and Trade, an international agreement executed at Geneva, Switzerland, on October 30, 1947.

Domestic Disappearance of Fats and
Oils Up in 1949-50; Further
Increase Likely in 1950-51

Domestic disappearance of fats and oils in the year ending June 1950 totaled about 10.5 billion pounds (including the actual weight of butter) compared with 10.2 billion a year earlier and an average of 9.6 billion pounds in 1937-41. On a per-person basis, apparent disappearance in 1949-50 was about 67 pounds (fat content), 1 pound more than a year earlier but 3 pounds below prewar. The one-pound increase was in disappearance of food fats and oils, which rose to about 44 pounds (fat content) per person. Nonfood uses of fats and oils remained about the same as in 1948-49.

With an increase in industrial activity and in consumer income expected in 1950-51, domestic disappearance of fats and oils, especially use in industrial products, probably will be greater than a year earlier.

Butter - A slight increase in consumption of butter may occur in 1950-51 over the 10.5 pounds per person estimated for July 1949-June 1950, reflecting the rise expected in consumers' income. Consumption of butter can be increased in 1950-51, despite the anticipated decline in output, by drawing upon stocks. Total cold-storage holdings of butter October 1, 1950 were 233 million pounds compared with the 1944-48 average of 115 million pounds.

Since early 1949, CCC has supported the wholesale price of butter at about 60 cents per pound. Support at 60 cents per pound (which was equivalent to 83 percent of the parity price of butterfat in mid-October 1950) will be in effect through March 1951. The support level after

that date is required by law to reflect a price to farmers for butterfat between 75 and 90 percent of the parity price of butterfat when the new support is announced.

Until next March the price of butter probably will remain at about the price set by CCC for sales from its stocks. This has been 63 cents per pound (wholesale, in bulk, for 92-score Midwest basis) since November 1949. The market price of butter rose from the support level of about 60 cents per pound in June to slightly above the CCC selling price in mid-September. Since then, disappearance of butter has been larger than production and Government stocks have been drawn upon.

Margarine - Consumption of margarine in 1950-51 probably will be moderately larger than the estimated 1949-50 per civilian disappearance of 5.5 pounds (actual weight). Up to July 1950, Federal taxes on margarine were reflected in a spread of about 10 cents per pound between the prices of colored and uncolored margarine. With the removal of these taxes July 1, this price difference largely disappeared, and colored margarine has been replacing uncolored in the District of Columbia and the 32 States which permit production of colored. Since consumers prefer colored margarine, the ready availability of colored to a large part of the population at no additional cost will tend to increase total consumption of margarine in 1950-51. However, this expected rise in consumption will be partly offset by higher prices for margarine, reflecting an increased cost of cottonseed and soybean oils, and also by an increase in consumer income. Other things equal, an increase in consumer income tends to increase consumption of butter at the expense of margarine.

Lard and Shortening - With increased production and comparatively low prices for lard likely in 1950-51, a moderate increase in consumption is likely in 1950-51. Consumption of shortening in 1950-51 may not increase because of competition from lard and a prospective moderate decline in output of the principal vegetable oils used in production of shortening. Domestic disappearance of lard per civilian in July 1949-June 1950 was about 12 pounds (excluding use in margarine, shortening, and soap). Disappearance of shortening was 10.2 pounds per person. The total of 22.2 pounds per person was equal to the 1946-49 average.

Other food fats and oils - Domestic disappearance of other food fats and oils--largely cottonseed, soybean, corn, peanut, olive and coconut oils used as cooking and salad oils, in mayonnaise and salad dressings, and in bakery goods and confectionery--probably will remain at a high level in 1950-51. The estimated disappearance per civilian in 1949-50 of well over 8 pounds was one of the highest on record. There has been a marked upward trend over the past 20 years in these uses of fats and oils.

Table 10.- Food fats: Average retail price per pound in leading cities of the United States, specified periods

Item	Average 1937-41	1945 ^{1/}	July 1948 June 1949	July 1949 June 1950	July 1950	August 1950
	Cents	Cents	Cents	Cents	Cents	Cents
Butter	37.0	50.7	77.4	72.4	71.1	72.0
Margarine:	^{2/} 17.3	^{2/} 24.1	^{2/} 36.5	^{2/} 29.1	---	---
Colored ^{3/}	---	---	---	---	31.3	33.3
Uncolored ^{4/}	---	---	---	---	30.6	32.6
Lard	12.6	18.8	24.3	17.6	17.7	23.5
Hydrogenated shortening	20.4	24.6	40.1	31.9	32.5	34.3

Compiled from reports of the Bureau of the Labor Statistics.

^{1/} Latest full year of wartime price ceilings.

^{2/} Mostly uncolored.

^{3/} Average for 37 cities in States where sale of colored margarine is permitted.

^{4/} Average for 19 cities in States where sale of colored margarine is prohibited.

Supplies of Drying Oils Adequate to Meet Probable Increased Use in 1950-51

Estimated use of oils and fats in paints and varnishes in July 1949-June 1950 totaled 637 million pounds compared with 635 million a year earlier. This use was at a high level in July-December 1948 but dropped sharply in the first half of 1949. Since then the trend has been upward. Industrial activity was rising after July 1949, and a record rate of new building was reached in early 1950. Reported use of fats and oils in paints and varnishes in July and August 1950 was 36 and 30 percent larger, respectively, than a year earlier. Use of oils and fats in paints and varnishes probably will continue above a year earlier well into 1951, reflecting increased industrial activity.

Use of oils and fats in linoleum and oilcloth in the year ended June 30, 1950 totaled 139 million pounds, considerably less than a year earlier. Use in July and August 1950, however, was 14 and 33 percent greater, respectively, than the year before. With industrial activity likely to remain at a high level, use of oils in linoleum and oilcloth probably will be larger than a year earlier well into 1951.

With the price differential between linseed and soybean oils at less than 5 cents per pound since February 1950, in contrast to differentials of 6 to 17 cents per pound in most of the preceding year and a half, the competitive position of linseed oil has been improved. Reported use of linseed oil in paints, varnishes, linoleum, and oilcloth increased 30 percent in April-June 1950 over a year earlier. Use of soybean oil increased 11 percent.

Supplies of linseed and soybean oils in 1950-51 will be more than sufficient to provide for a high rate of use in drying-oil products. The 1950 soybean crop is the largest on record; about 10 percent of the use of soybean oil in the United States in recent years has been in drying-oil products.

Imports of castor beans and oil may decline considerably in 1950-51 from the total of 155 million pounds, in terms of oil, a year earlier because the 1950 Brazilian crop is estimated to be one-third smaller than a year earlier--143,000 short tons compared with 219,000 tons in 1949. U. S. imports of Brazilian castor beans and oil in July 1949-June 1950 comprised over 90 percent of total U. S. imports of castor beans and oil and were equivalent to about 75 percent of the 1949 Brazilian crop. Low prices to Brazilian producers in the past 2 years have tended to discourage the planting and gathering of the beans. Most of the crop is harvested in May-October as part of the crop consists of uncultivated beans, the sharp price increase for castor beans since July may result in some increase in collections of these beans.

Imports of oiticica oil in the latter half of 1950 are expected to be larger than a year earlier because the Brazilian crop of oiticica nuts this year was about 4 times larger than in 1949.

Imports of tung oil recovered in the spring of 1950 from a relatively low level in the preceding 12 months. Imports in July 1949-June 1950 totaled 76 million pounds, but in April-August 1950 were at an annual rate of 118 million pounds. This was mainly due to a recovery in imports from China.

A feature of tung oil imports since July 1949 has been the relatively large quantity received from Argentina. In July 1949-June 1950, imports from Argentina totaled 26 million pounds, 34 percent of the total. Production of oil from the 1950 Argentine tung nut crop, which was harvested in June, is forecast at 14 million pounds compared with 21 million from the 1949 crop.

Increased Use of Fats in Soap Likely in 1950-51

Total use of fats and oils in soap, (including soap used for manufactures) in the year ended June 1950 was 1,792 million pounds, compared with about 1,875 million pounds a year earlier. The downtrend in use of fats in soap, which began in 1948, continued through July 1950. Use in August 1950, however, was slightly larger than a year earlier.

Use of fats and oils in synthetic detergents totaled 65 million pounds in January-December 1949 and 64 million pounds in January-June 1950. Use of fats and oils in synthetic detergents was not reported separately before 1949 from use of fats and oils in soap. Total use in synthetic detergents and soap in the first half of 1950 was at an annual rate of about 12 pounds per person, the lowest since 1935.

Table 11. - Use of fats and oils in detergents, United States, 1937-50

Period	Soap	Synthetic detergents	Total	Per person
	Million pounds	Million pounds	Million pounds	Pounds
Average				
1937-41	---	---	1,883	14.3
1942-46	---	---	2,066	14.9
1947				
Jan.-June	---	---	1,117	7.7
July-Dec.	---	---	1,230	8.5
Year	---	---	2,347	16.2
1948				
Jan.-June	---	---	1,136	7.7
July-Dec.	---	---	989	6.7
Year	---	---	2,125	14.4
1949				
Jan.-June	911	---	1 ---	---
July-Dec.	923	---	---	---
Year	1,834	1/ 65	1,900	12.7
1950				
Jan.-June	869	64	933	6.1

Computed from reports of Bureau of the Census. Includes use of fats in soap used in manufactures such as synthetic rubber and textiles. Excludes tall oil. 1/ Only the total for the year was reported.

There has been a large increase since prewar in sales of synthetic detergents based on fats and oils. In recent years sales of synthetic detergents based on petroleum derivatives have expanded very rapidly and have competed strongly with soap and apparently also with fat-and-oil based synthetics. Sales of synthetic detergents of all types in January-June 1950 by manufacturers reporting to the American Association of Soap and Glycerin Producers amounted to 31 percent of total sales of synthetics and non-liquid soap reported by these manufacturers. Although the total for soap and synthetic detergents in January-June 1950 was nearly 4 percent greater than a year earlier, sales of soap in this period were 11 percent less than a year ago. (These figures do not include sales of all companies selling soap or synthetic detergents, but do include a large percentage of total sales of soap and household detergents.)

Domestic consumption of inedible tallow and greases, the major fats used in soap, has not kept pace with production of these fats since 1948. Apparent production of inedible tallow and greases in 1949 was 10 percent greater than a year earlier while factory consumption declined 7 percent. Apparent production in the first half of 1950 was at an annual rate equivalent to 14 percent greater than 1948 while factory consumption was at an annual rate equivalent to 4 percent less than in 1948.

The export market has become the largest outlet for inedible tallow and greases, aside from the domestic soap industry. Net exports of inedible tallow and greases in 1949-50 totaled 423 million pounds compared with 290 million a year earlier and a net import of 2 million pounds pre-war. Net exports of inedible tallow and greases in July-August 1950 were 108 million pounds, 64 percent more than a year earlier.

With the change in the international situation resulting from the fighting in Korea, demand for soap fats both for domestic use and for export increased. Factory consumption of fats and oils in soap manufacture in July 1950 remained below the level of a year earlier but rose in August to 4 percent above August 1949. Factory consumption of inedible tallow and greases in August 1950 was 7 percent larger than a year earlier.

The increased demand since June has also been accompanied by a doubling of prices for inedible tallow and greases. The price of prime inedible tallow, Chicago, in October averaged about 12 cents per pound compared with 5 cents in June.

An increasing relative scarcity of benzene probably is helping to maintain the demand for soap fats. Benzene is a necessary raw material for some leading types of synthetic detergents. The demand for benzene for use in manufacture of synthetic rubber, nylon, aviation gasoline, and other industrial products has increased sharply, but production of benzene cannot readily be expanded.

The prospective high level of industrial activity, as well as the benzene situation, point to a larger use of fats in soap in 1950-51 than a year earlier.

Table 12.- Inedible tallow and greases: Production, utilization, net foreign trade, and wholesale price, United States, 1937-50

Not for High Grade, and Wholesale Price, United States, 1937-50								
Period	:	Factory consumption			:	Net	:	Price per
	:Apparent:	:	In	:	:	imports	:Stocks	: pound
	: pro-	: In	: other	:	:	(+) or	:end of	: prime
	:duction:	: soap	:products:	:	Total	:net ex-	:period	:inedible
:	:	:	:	:	:	ports (-):	:	tallow
	<u>Mil. lb.</u>	<u>Mil. lb.</u>	<u>Mil. lb.</u>	<u>Mil. lb.</u>	<u>Mil. lb.</u>	<u>Mil. lb.</u>	<u>Mil. lb.</u>	<u>Cents</u>
Average	:							
1937-41	:	1,167	965	204	1,169	+ 2	321	6.3
1942-46	:	1,748	1,398	417	1,815	+25	233	9.2
1947	:	2,023	1,526	356	1,882	-68	246	19.2
1948	:							
Jan.-June	:	1,032	751	172	930	-25	323	18.3
July-Dec.	:	907	693	159	852	-62	317	13.6
Year	:	<u>1,940</u>	<u>1,451</u>	<u>330</u>	<u>1,782</u>	<u>-87</u>		<u>16.0</u>
1949	:							
Jan.-June	:	1,104	668	161	829	-228	361	6.6
July-Dec.	:	1,023	678	156	834	-197	352	6.1
Year	:	<u>2,127</u>	<u>1,346</u>	<u>317</u>	<u>1,663</u>	<u>-425</u>		<u>6.3</u>
1950	:							
Jan.-June	:	1,102	643	209	852	-225	378	6.0
July-Aug.	:							
1949	:	320	202	44	246	-66	370	6.2
1950	:	341	210	65	275	-108	337	7.6

Table 13.- Imports and exports of fats, oils, oil-bearing materials, and fat-and-oil products in terms of oil, Average 1937-41, annual 1949, January-August 1949, and January-August 1950

Item	Imports for consumption				Exports 1/			
	Average	January-August			Average	January-August		
	1937-41	1949	1950 2/	1937-41	1949	1950 2/	1937-41	1950 2/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Food fats and oils								
Butter	3.8	.3	.3	3/	9.5	.57	3.9	3.2
Lard	2/	2/	2/	2/	272.7	663.2	476.8	382.3
Oléo oil	---	---	---	---	3.8	2.5	1.2	3.5
Oléo stock	---	---	---	---	2.9	2.8	1.3	1.4
Stearine, animal, edible	1.0	---	---	---	.3	.7	.3	1.2
Tallow, edible	2.9	3/	---	3/	.2	23.0	20.1	4.1
Total, edible animal fats	7.7	.3	.3	3/	289.4	699.9	503.6	395.7
Corn oil	14.2	---	---	3/	.3	2.1	1.2	1.0
Cottonseed oil	72.1	---	---	---	11.0	116.6	77.1	105.1
Cottonseed (15.5 percent)	---	---	---	---	---	2.3	1.7	2.9
Olive oil, edible	48.5	20.0	12.9	53.1	---	.1	.1	.4
Peanut oil	16.1	3/	3/	---	2.4	67.0	42.9	36.4
Peanuts, shelled (43 percent)	---	---	---	---	---	139.6	125.8	21.7
Sesame oil	9.9	.3	.2	.2	---	---	---	---
Sesame seed (47 percent)	4.8	5.1	3.7	6.5	---	---	---	---
Soybean oil	7.0	.2	.2	3/	10.5	358.6	272.2	202.4
Soybeans (16.3 percent) 4/	---	.1	.1	3/	30.9	228.5	162.8	82.3
Sunflower oil	.8	3/	3/	---	5/	---	---	---
Teaseed oil	10.0	.1	.1	3/	---	---	---	---
Vegetable oils, shipments to U. S. Territories	---	---	---	---	8.5	2.5	1.9	2.6
Total, edible vegetable oils	183.4	25.8	17.2	59.8	63.6	917.3	685.7	454.8
Soap fats and oils								
Fish oils	2.6	16.1	4.8	6.9	2.7	38.6	22.2	30.8
Greases	---	3/	3/	3/	4.5	65.0	43.2	38.7
Marine mammal oils	25.4	8.7	8.0	4.4	2.9	.3	---	.1
Olive oil, inedible and "foots"	25.7	3.1	.6	2.6	---	.5	.4	.2
Palm oil	301.2	82.3	56.1	27.4	17.3	8.7	5.6	1.6
Tallow, inedible	7.7	2.0	1.1	1.0	1.5	362.1	252.3	295.1
Total, slow-lathering oils	362.6	112.2	70.6	42.3	28.9	475.2	323.7	366.5
Babassu oil	.4	3.6	2.1	6.2	---	---	---	---
Babassu kernels (63 percent)	48.9	29.4	19.9	20.7	---	---	---	---
Coconut oil	362.8	115.0	72.4	73.8	33.4	18.4	9.7	11.8
Copra (63 percent)	335.9	539.6	291.4	336.2	27.8	4.2	3.5	3/
Murumuru kernels (36 percent)	1.2	---	---	.4	---	---	---	---
Palm-kernel oil	28.8	4.2	3.6	10.7	---	---	---	---
Palm kernels (45 percent)	14.8	4.0	4.0	3/	---	---	---	---
Tucum kernels (43 percent)	2.4	13.2	13.0	4.2	---	---	---	---
Total, lauric-acid oils	795.2	709.0	406.4	452.2	61.2	22.6	13.2	11.8
Drying oils								
Flaxseed (35.4 percent) 5/	351.7	2.9	2.9	3/	---	61.6	60.2	44.1
Linseed oil	.1	1.3	1.3	.1	3.3	3.8	3.0	4.4
Oiticica oil	16.0	8.9	5.6	6.5	---	---	---	---
Tung oil	100.4	65.0	35.5	61.0	5.0	10.3	7.6	5.1
Tung nuts	---	.4	.4	---	---	---	---	---
Total	468.2	78.5	45.7	67.6	8.3	75.7	70.8	53.6
Other industrial oils and fats								
Cashew-nut shell liquid (oil)	2.7	5.4	3.0	3.5	---	---	---	---
Castor oil	.5	10.6	3.9	27.1	1.0	3.0	1.8	1.2
Castor beans (45 percent)	95.0	130.5	73.6	71.6	---	---	---	---
Fish-liver oils	46.7	21.2	10.9	16.5	---	.8	.4	.4
Japan wax (tallow)	3.0	.1	.1	.1	---	---	---	---
Neat's-foot oil	---	.5	.1	1.2	.6	.6	.5	.4
Rapeseed oil	10.3	3.8	2.1	1.7	---	.1	.1	.5
Wool grease	3.0	8.4	5.4	2.8	---	.4	.3	.4
Other vegetable oils and fats	---	1.0	.3	.4	13.2	5.2	4.6	.6
Total	161.2	181.5	99.4	124.9	14.8	10.1	7.7	3.5
Manufactured products and secondary materials (fat content)								
Margarine 7/	1.9	.3	.2	.2	1.3	4.4	2.8	4.0
Shortening	1.4	2/	3/	2/	8.0	24.5	16.3	8.0
Stearine, vegetable oil winter 8/	---	---	---	---	---	4.8	3.5	.5
Soap	2.8	.5	.3	.3	30.8	37.4	26.6	21.0
Foots and soap stock 8/	---	---	---	---	---	3.0	2.2	.9
Fatty acids 8/	---	.5	.8	2.2	---	53.3	38.6	41.4
Total	6.1	1.3	1.3	2.7	40.1	127.4	90.0	75.8
Exports through private relief agencies	---	---	---	---	---	9/ 8.7	9/ 8.7	---
Grand total 10/	1,984.6	1,108.8	610.9	749.8	506.3	2,336.9	1,703.5	1,361.9

Compiled from Foreign Commerce and Navigation of the United States, and reports of the Bureau of the Census, and United States Department of Agriculture.

1/ Includes shipments of butter, lard, and manufactured products to Puerto Rico and the Virgin Islands; reexports of coconut, palm, and tung oils, olive-oil foots and copra. 2/ Preliminary. 3/ Less than 50,000 pounds.

4/ 1937-41, 15 percent. 5/ Not separately reported. 6/ 1937-41, 34 percent yield. 7/ Imported margarine goes largely to Puerto Rico and the Virgin Islands. 8/ Included beginning 1949. 9/ January-March 1949 only.

10/ Computed from unrounded numbers.

Table 14.- Fats and oils, including margarine and shortening: Production from domestic and imported materials, January-August 1949 and January-August 1950, and factory and warehouse stocks at end of month, August 31, 1950, with comparative data

Items grouped by major use	Production 1/				Stocks			
	August		Jan.-August		Aug. 30,	June 30,	July 31,	Aug. 31,
	1949	1950	1949	1950	1949	1950	1950	1950
	Mill. lb.	Mill. lb.	Mill. lb.	Mill. lb.	Mill. lb.	Mill. lb.	Mill. lb.	Mill. lb.
PRIMARY FATS AND OILS								
<u>Food fats and oils</u>								
Butter 2/.....	128.4	125.2	1,005.7	1,046.3	153.8	185.2	230.1	239.4
Lard and rendered pork fat 3/.....	128.2	135.7	1,210.0	1,273.3	94.2	186.0	135.0	99.8
Oleo oil, oleo stock, edible animal stearine, and edible tallow.....	15.4	16.4	113.2	112.5	10.6	11.0	8.9	9.4
Total edible animal fats.....	272.0	277.3	2,328.9	2,432.1	258.6	382.2	374.0	348.6
Corn oil.....	20.3	23.1	145.3	159.9	9.9	16.3	16.4	16.0
Cottonseed oil.....	64.8	72.2	890.1	956.2	113.5	275.8	215.2	140.1
Olive oil, edible.....	---	---	4.8	1.6	2.4	4.1	2.9	2.8
Peanut oil.....	6.8	7.0	92.9	96.9	5.2	29.8	23.3	12.2
Sesame oil 4/.....	.5	1.2	3.7	6.5	.2	.1	.2	.5
Soybean oil.....	136.0	157.0	1,233.5	1,292.9	148.3	165.9	177.8	143.1
Total edible vegetable oils.....	228.4	260.5	2,370.3	2,514.0	279.5	492.0	435.8	314.7
<u>Soap fats and oils</u>								
Tallow, inedible, and greases, excluding wool grease 5/.....	182.5	200.8	1,424.0	1,443.2	369.9	377.7	367.1	337.4
Palm oil.....	---	---	---	---	34.8	6/	6/	6/
Fish oil.....	19.5	29.5	58.8	81.5	53.5	47.6	47.9	43.4
Whale and seal oils.....	.1	7/	.7	7/	.7	7/	7/	.4
Olive oil, inedible and "foots".....	8/	---	8/	8/	1.3	1.9	2.3	3.1
Total slow-lathering oils.....	202.1	230.3	1,483.5	1,524.7	460.2	---	---	---
Babassu oil 4/.....	1.1	---	19.9	20.7	.6	4.3	3.8	2.0
Coconut oil 5/.....	38.4	48.4	301.6	292.4	89.8	6/	6/	6/
Other lauric-acid oils 4/.....	.4	.1	17.0	4.3	1.8	8/	.1	4.6
Total lauric-acid oils.....	39.9	48.5	338.5	317.4	92.2	---	---	---
<u>Drying oils</u>								
Castor oil, dehydrated.....	2.9	4.6	22.8	33.2	4.5	7.0	7.0	7.4
Linseed oil.....	77.1	57.8	479.2	455.8	428.7	578.5	595.5	584.8
Oiticica oil.....	---	---	---	---	3.2	2.2	2.0	3.0
Tung oil.....	---	---	15.2	19.5	23.8	22.2	23.2	20.7
Total drying oils.....	80.0	62.4	517.2	508.5	460.2	609.9	627.7	615.9
<u>Other industrial oils and fats</u>								
Neat's-foot oil.....	.2	.2	1.5	1.6	.8	1.2	1.2	1.1
Sperm-whale oil.....	---	---	---	---	19.9	6/	6/	6/
Wool grease.....	.7	1.5	5.8	9.1	.4	2.1	2.0	2.1
Cod oil and fish-liver oils.....	.5	.2	3.6	1.3	7.0	5.4	5.6	5.6
Castor oil, No. 1 and No. 3 9/.....	7.6	5.6	61.4	52.1	31.1	6/	6/	6/
Rapeseed oil 5/.....	---	.1	.8	---	2.7	3.0	2.7	2.1
Other vegetable oils 10/.....	.7	3.0	4.1	3.0	9.2	9.5	10.1	8.2
Total.....	9.7	10.6	77.2	67.1	71.1	---	---	---
Grand total 11/.....	832.2	889.6	7,645.3	7,927.8	1,622.0	13/	13/	13/
From domestic materials.....	781.3	829.7	7,216.0	7,518.6	---	---	---	---
From imported materials.....	50.9	59.9	429.3	409.2	---	---	---	---
FAT-AND-OIL PRODUCTS								
Oleomargarine: 14/ Colored.....	15.9	52.4	97.6	281.2	2.0	35.2	6.0	10.6
Uncolored.....	63.2	31.7	464.3	332.7	5.6	7.1	2.9	5.9
Total.....	79.1	84.1	561.9	613.9	7.6	42.3	8.9	16.5
Shortening.....	156.7	180.3	960.4	1,110.8	52.8	117.6	71.2	60.5

Compiled from reports of the Bureau of the Census, except as noted. Data includes stocks held by the Government in reported positions.

1/ Factory production except as otherwise noted.

2/ Creamery butter production and cold-storage stocks, United States Department of Agriculture.

3/ Federally inspected production, United States Department of Agriculture.

4/ Production computed as oil equivalent of imported seeds or kernels.

5/ Total apparent production, Bureau of Agricultural Economics. (Computed from factory consumption, trade, and stocks.)

6/ Data on stocks have not been reported by the Bureau of the Census for June, July, and August. Beginning with the report for September, stocks will be reported on a commercial stocks basis. The exclusion of these figures for three months was done to make it impossible to calculate reasonably accurate figures for stockpiles of strategic oils.

7/ Less than 50,000 pounds.

8/ Included in "Other vegetable oils."

9/ Production of No. 1 and No. 3 minus production of dehydrated castor oil.

10/ Production of crude oil as reported, minus oil equivalent of imported sesame seed and babassu, tucum, and palm kernels.

11/ Computed from rounded numbers.

12/ Includes estimated output of farm butter and nonfederally inspected lard, 530 million pounds in January-August 1949;

and 564 million pounds in January-August 1950.

13/ Stocks of the reported items on August 31, 1950 totaled 191 million pounds less than on July 31, 1950, and 243 million pounds more than on August 31, 1949.

14/ Bureau of Internal Revenue through June 1950. Beginning July 1950, Bureau of the Census.

Table 15.- Price received by farmers and prices at terminal markets
for specified oil-bearing materials and oilmeals,
September 1948 and 1949, and July-September 1950

Item	Unit	1948	1949	1950		
		Septem-ber	Septem-ber	July	August	Septem-ber
		Dol.	Dol.	Dol.	Dol.	Dol.
<u>Oil-bearing materials</u>						
Castor beans, Brazilian ports ...	Long ton	128.00	105.50	115.00	136.67	180.00
Copra, Philippines, c.i.f.						
Pacific Coast	Short ton	246.25	159.50	191.50	208.12	222.50
Cottonseed, United States						
average	Short ton	68.10	43.50	52.00	70.90	78.80
Flaxseed, No. 1 Minneapolis	Bushel	6.00	3.94	3.84	3.75	3.55
Flaxseed, United States average ..	Bushel	5.74	3.63	3.39	3.35	3.20
Peanuts, No. 1, shelled, Spanish,						
Southeastern shipping points*..	100 lb.	16.62	16.75	17.62	18.38	17.62
Peanuts, United States average*..	100 lb.	10.40	10.20	10.90	11.00	10.90
Soybeans, No. 2, yellow, Chicago..	Bushel	---	2.21	3.12	2.92	---
Soybeans, No. 2, yellow, Illinois:						
country shipping points	Bushel	2.73	2.20	3.10	2.75	2.45
Soybeans, United States average..	Bushel	2.45	2.14	2.93	2.42	2.26
<u>Oilseed meals</u> 1/						
Copra meal, Los Angeles 2/	Short ton	83.80	51.50	78.10	80.60	71.20
Cottonseed meal, 41 percent						
protein, Memphis	Short ton	62.80	57.75	74.00	74.70	71.90
Cottonseed meal, 41 percent						
protein, Chicago	Short ton	72.45	68.10	82.10	85.05	80.30
Linseed meal, 34 percent protein,						
Minneapolis	Short ton	64.50	62.40	71.00	67.90	63.90
Linseed meal, 34 percent protein,						
New York	Short ton	76.20	75.30	82.90	81.50	77.85
Peanut meal, 45 percent protein, :						
f.o.b. Southeastern mills	Short ton	66.30	70.00	82.05	77.20	69.95
Soybean meal, 41 percent protein, :						
Chicago 3/	Short ton	81.50	83.15	96.40	78.20	65.85

Compiled from Oil, Paint and Drug Reporter, Daily Market Record (Minneapolis), Chicago Journal of Commerce, reports of the Bureau of Agricultural Economics, and records of Production and Marketing Administration.

1/ Bagged carlots.

2/ Original quotations adjusted to bagged-carlots basis.

3/ 44 percent beginning July 1950.

* These prices apply to peanuts for edible uses.

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